AMENDED IN SENATE JUNE 16, 2010
AMENDED IN ASSEMBLY MAY 7, 2009
AMENDED IN ASSEMBLY APRIL 16, 2009
AMENDED IN ASSEMBLY APRIL 13, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

## ASSEMBLY BILL

No. 1413

Introduced by Assembly Member Coto (Coauthor: Assembly Member Nava Beall)

February 27, 2009

An act to amend Section 2071 of, and to add Section 2059 to the Insurance Code, relating to fire insurance. An act to amend Section 14181 of the Welfare and Institutions Code, relating to Medi-Cal.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1413, as amended, Coto. Fire insurance: coverage. Medi-Cal: waiver or demonstration project: chronic disease self-management programs.

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions.

Existing law requires the department to submit an application to the federal Centers for Medicare and Medicaid Services (CMS) for a waiver or demonstration project that would implement specified objectives. Existing law requires the California Health and Human Services Agency or successor entity or designated department to submit an

AB 1413 -2-

implementation plan to the appropriate policy and fiscal committees of the Legislature for implementation of the above-described waiver or demonstration project. Existing law requires the implementation plan to specifically address certain elements, including specific requirements and standards related to care coordination and care management. Existing law requires the agency or successor entity or designated department, prior to preparing the implementation plan, to convene a stakeholder committee to advise on preparation of the implementation plan.

This bill would require the stakeholder committee to assess the current rate of use of chronicdisease self-management programs among Medi-Cal beneficiaries and identify opportunities to promote more widespread use of those programs.

Existing law generally regulates the contents and coverages of fire insurance policies. Existing law also generally regulates homeowner's insurance policies, as specified.

This bill would provide that if an insured purchased a fire insurance policy that provides extended or guaranteed replacement cost coverage, then the full scope of that coverage is available whether the insured rebuilds at the original or a new location. This bill would also provide that if the insured actually builds or replaces at a new location, the maximum amount to which the insured is entitled is determined by the replacement cost of the damaged property for equivalent construction materials of like kind and quality at the original location, up to the limits stated in the policy. This bill would require that the California Standard Form Fire Insurance Policy include an extended or guaranteed replacement cost coverage clause specifying that the full scope of extended or guaranteed replacement cost coverage, if purchased, is available whether the homeowner rebuilds at the original or a new location.

Vote: majority. Appropriation: no. Fiscal committee: <del>no</del>-yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 14181 of the Welfare and Institutions
- 2 Code is amended to read:
- 3 14181. (a) The California Health and Human Services Agency
- 4 or successor entity or designated department shall submit an
- 5 implementation plan to the appropriate policy and fiscal committees

-3- AB 1413

1 of the Legislature for implementation of the federally approved 2 waiver or demonstration project. The implementation plan shall 3 be developed in consultation with a stakeholder advisory committee 4 established pursuant to subdivision (b). The implementation plan 5 shall specifically address the multiple and complex needs of seniors 6 and persons with disabilities, dual eligibles, children with special health care needs, and persons with behavioral health conditions, 8 and the specific strategies the agency or successor entity or 9 designated department will use to ensure the provision of quality, 10 accessible health care services under the waiver or demonstration 11 project, including, at a minimum, the following elements:

- (1) Criteria, performance standards, and indicators shall be adopted to ensure that plan services meet the multiple and complex needs of beneficiaries and comply with the requirements of this article. The performance standards shall incorporate, at a minimum, existing statutory and regulatory requirements and protections applicable to two-plan model and geographic managed care plans, as well as those protections available under the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code), but in addition shall include specific requirements and standards based on the multiple and complex care needs of seniors and persons with disabilities, dual eligibles, children with special health care needs, and persons with behavioral health conditions, including, but not limited to, standards where applicable to the organized delivery system model in all of the following areas:
- (A) Plan readiness.

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

38

- (B) Availability and accessibility of services, including physical access and communication access.
- (C) Benefit management and scope of services.
- 31 (D) Care coordination and care management.
- 32 (E) Beneficiary complaints, grievances, and appeals.
- 33 (F) Beneficiary participation.
- 34 (G) Continuity of care.
- 35 (H) Cultural and linguistic appropriateness.
- 36 (I) Financial management.
- 37 (J) Measurement and improvement of health outcomes.
  - (K) Marketing, assignment, enrollment, and disenrollment.
- 39 (L) Network capacity, including travel time and distance and 40 specialty care access.

AB 1413 —4—

- 1 (M) Performance measurement and improvement.
- 2 (N) Provider grievances and appeals.
- 3 (O) Quality care.

- 4 (P) Recordkeeping and reporting.
  - (2) Strategies to be used to monitor performance of all contractors and to ensure compliance with all components of the waiver or demonstration project.
  - (3) Provision of a comprehensive timeline of key milestones for implementation of the waiver or demonstration project components.
  - (4) Provision of a framework for evaluation of the waiver or demonstration project, including the process, timelines, and criteria for evaluating implementation, as well as the method for providing periodic updates of outcomes and key implementation concerns.
  - (b) Prior to preparing the implementation plan required by this section, the agency or successor entity or designated department, shall convene a stakeholder committee to advise on preparation of the implementation plan. The stakeholder committee shall include, but not be limited to, persons with disabilities, seniors, and representatives of legal services agencies that serve clients in the affected populations, health plans, specialty care providers, physicians, hospitals, county government, labor, and others as deemed appropriate by the agency or successor entity or designated department. The stakeholder committee shall advise on the implementation of the waiver or demonstration project until the expiration of the waiver or demonstration project.
  - (c) The stakeholder committee convened pursuant to subdivision (b), or any successor committee or subcommittee that advises on the implementation of the waiver or demonstration project, shall do both of the following:
  - (1) Assess the current rate of use of chronic disease self-management programs among Medi-Cal beneficiaries.
- 33 (2) Identify opportunities to promote more widespread use of chronic disease self-management programs.

All matter omitted in this version of the bill appears in the bill as amended in the Assembly, May 7, 2009. (JR11)